Investments and exports shaping the outlook

2014 growth outlook was shaken by flood damages in the middle of the year, but GDP bounced back to the green territory already in 3Q14. 2015 outlook looks more promising, with investments, exports and stable household consumption playing most supportive role. Fiscal developments will be mostly shaped by the outcome of political negotiations and negotiations on new IMF arrangement

Alen Kovac
akovac2@erstebank.com

Milan Deskar-Skrbic
mdskrbic@erstebank.com

Overview of Forecasts

	2015	2016
Real GDP growth (%)	2.4	3.0
Unemployment (%)	26.0	24.5
CPI (%), average	1.5	2.5
Budget balance (% GDP)	-2.0	-1.6
Public debt (% of GDP)	42.0	40.5
Current account (% GDP)	-29.1	-27.0

Ratings	
Moody's	B3
S&P	B3
GDP per capita in PPP (as % of EU28 average)	29
Population (in mn)	3.8

- 2015 should be more encouraging, with the main upsides coming from the investment side (reconstruction of flooded regions) and export sector (more promising growth outlook for main trade partners). Household consumption should maintain its supportive role, while we expect a gradual decline of public consumption, driven by consolidation efforts
- Inflation trajectory is expected to be mostly shaped by low base effect, fading effects of low food prices, intensified investment activity and more favorable movements on the labor market. These factors should outweigh week cost side pressures (primarily falling oil prices) so we expect inflation moving back to the positive territory, with average 1.5% being our best guess.
- On the international front we expect stabilization of C/A balance, supported by more promising export performance, given the fading effects of floods and more favorable economic outlook for main trade partners. On the financing side we expect stronger FDI footprint, with several projects already in the pipeline
- Monetary outlook for 2015 is shaped by expected recovery of corporate lending and continuation of robust household lending performance. We also expect improvements of financial stability indicators, although we cannot exclude some upside risks to NPLs coming from the weaker performance of the corporate sector in 2H14 (resulting from flood damage)
- IMF-backed program has brought some results, but fiscal consolidation dynamic was slowed by Oct14 elections and flood-related damages. The 2015 fiscal performance will depend heavily on the political situation; with no agreement in the coalition in the first three months of the year, we expect the reform agenda to come into focus only in the second half of the year

Real Economy

Although B&H was strongly hit by massive floods, GDP returned to green territory in 3Q14

After a recessionary 2012, Bosnia & Herzegovina was one of the growth leaders in the CESEE region, with robust 2.5% y/y growth in 2013. Detailed data on GDP components shows that household consumption and net exports served as the main supportive factors, outweighing the fall in investments, primarily in the construction sector. The 2014 outlook seemed promising, but it was shaken by the onset of massive floods in May, with estimated direct and indirect damages to housing, energy and transport sectors spanning from EUR 1bn to EUR 1.5bn (around 10% of GDP). The effects of the flooding translated into the official GDP figures, as the economy shrank 0.5% y/y in 2Q14 (vs. +3.2% y/y in 1Q14). However, already in 3Q14, the economy bounced back into green territory (supported by a stable consumption footprint and recovery of net exports), with the headline figure landing at 0.6% y/y, thus wrapping up the first three quarters of 2014 at 1.1% y/y.

Short-term indicators for the last three months of 2014 show that we could see some acceleration of the growth figure in 4Q14, with average 1.8% y/y growth in the retail sector and 8.5% y/y growth of exports offsetting a 1% yearly decline in industrial production. The 39% y/y growth of completed dwellings indicates that the construction sector will also be supportive of the headline figure. In the same period, we could also see some positive developments on the labor market, with a mild increase of employment, primarily in the manufacturing and energy sector. We expect FY14 growth in the 0.5%-1% band, with the upper part of the band more likely.

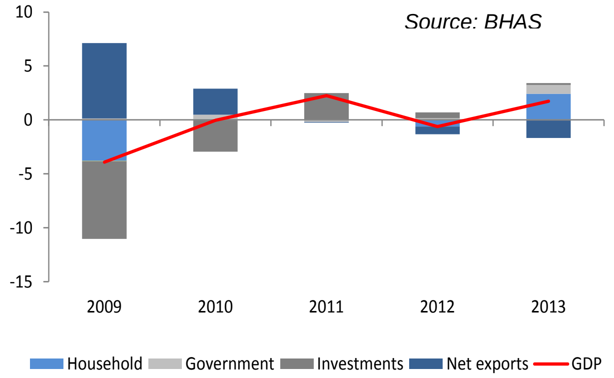
Mid-term economic outlook is mostly shaped by domestic and foreign investment footprint

Looking ahead, 2015 could be more encouraging, with the main upsides coming from the investment side and export sector. Announced investments related to reconstruction of flooded regions (mainly financed by IFI assistance funds) and infrastructure projects (e.g. corridor Vc, TP Tuzla and TP Stanari) should give a boost to the construction sector, while the more favorable growth outlook for main trading partners should continue to support exports, which have already shown strong resilience in recent years. We expect increased investments in the energy sector (e.g. the Una Kostela and Vranduk hydroelectric plants) and there are announcements of FDI projects in the tourism sector (e.g. UAE investment in tourist resort Buroj Ozon). Household consumption should maintain its supportive role, while we expect a gradual decline of public consumption, as the government postponed some of the fiscal consolidation measures, backed by the 2012-14 IMF stand-by arrangement, for the post-election period (elections were held in October 2014). With all of this in mind, we see the growth figure in the 2-3% region, although we anticipate implementation risks down the road, coming primarily from politically related uncertainties.

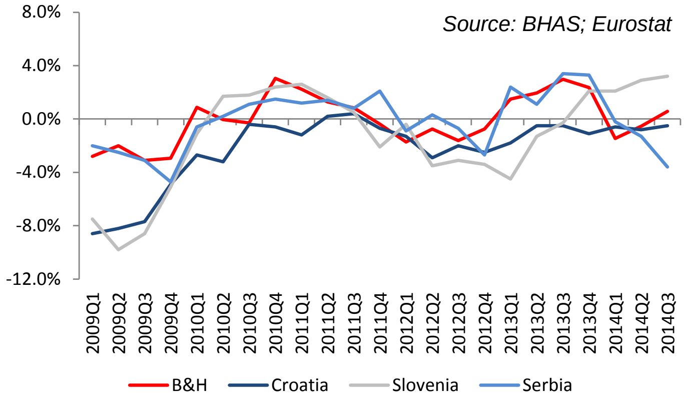
Inflation moving back into the positive territory in 2015

Deflationary pressures in EU also spilled to the CPI footprint in B&H, with the headline figure moving in the negative territory throughout most of 2014. After a 1.5% decline in prices in first half of 2014, in second half of the year we could see some easing of deflation pressures so the FY14 inflation came at -0.9%. In 2015, we expect upside pressures coming from low base effect, fading effects of low food prices, intensified investment activity and more favorable movements on the labor market. These factors should outweigh week cost side pressures (primarily falling oil prices) so we expect inflation moving back to the positive territory, with average around 1.5% being our best guess.

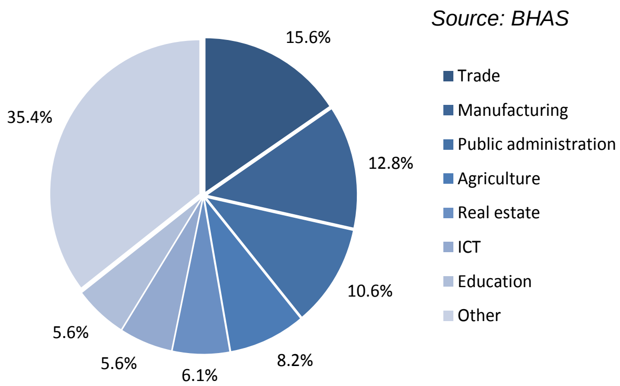
GDP growth in 2013 driven by domestic demand
Real GDP growth and contributions



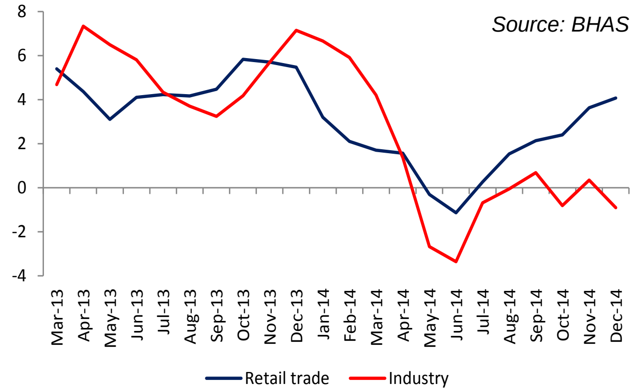
Robust GDP performance compared to peers
Quarterly GDP (y/y figure)



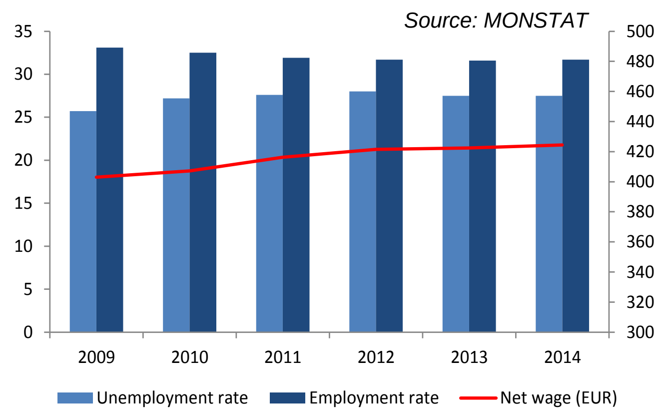
Well-diversified structure of the economy
Shares of NACE categories in GVA (%)



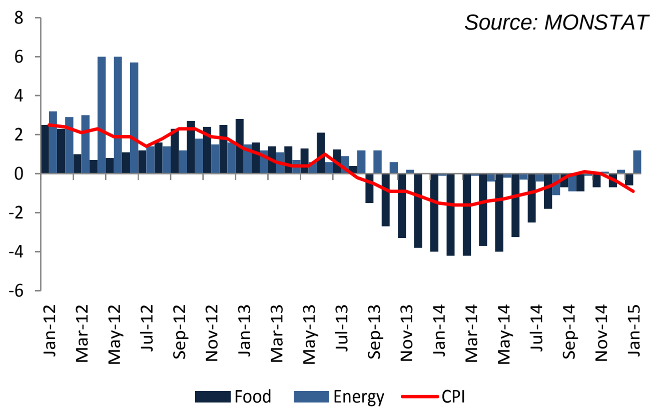
Strong retail offsetting slowdown in industry
Industrial production and retail trade (y/y)



Gradual recovery of the labor market
Unemployment, employment (%) and net wages (EUR)



Low food and energy prices weighing on CPI figure
CPI, food prices and energy prices (y/y)



External Balance

C/A deficit compression stopped in 2014, owing to flood related disruptions in trade balance

After reaching a maximum level of above 14% of GDP in 2008, the C/A deficit gradually compressed to around 6% by the end of 2013. Such developments mostly came as a result of compression of the trade deficit from an alarming 42% to around 30% of GDP, courtesy of the outperformance of exports (average 10% y/y growth) over stagnating imports. However, such a trade deficit level puts significant pressure on the country's external stability, mostly due to the highly import-oriented structure of the economy, with the share of imports in GDP exceeding 50% in 2013 (vs. 29% for exports). On the financing side, in the same period, coverage of C/A by FDI inflows fell from above 45% to around 30%, reflecting the withdrawal of investors from SEE, as well as local political and institutional weaknesses.

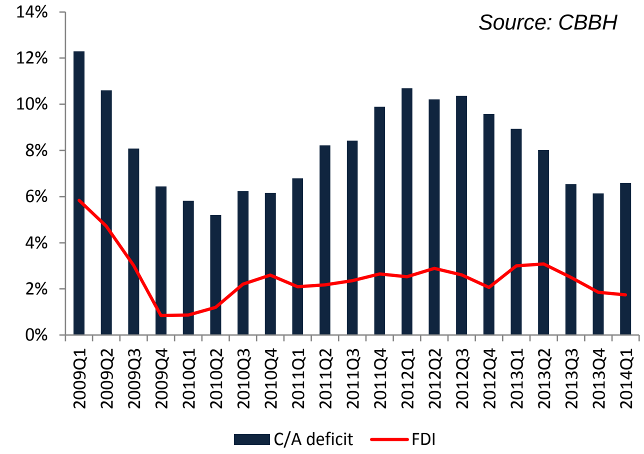
The 2014 outlook looked promising, but the balance of payments showed a deterioration of the C/A balance, mostly driven by losses in the export sector and increased imports related to flood damage in the second quarter of the year. Looking at details, the second quarter brought stagnation of goods exports, after a robust 9% average growth from the beginning of 2013, while goods imports accelerated to their highest levels in years. Services also recorded the sharpest decline since 2009, mainly dragged down by a fall in travel and construction services. The third quarter brought stabilization in all categories, but such developments could not offset the losses from 2Q14, thus resulting in C/A deficit expansion of 25% y/y in 1-3Q14 to 8.1% of GDP (trailing basis). The financing footprint stayed relatively weak, with FDI inflows falling 9% y/y, landing at 2.2% of GDP vs. 2.5% of GDP one year earlier. Looking at the structure, the mining, petroleum and metal production sectors absorbed around 40% of EUR 283mn worth of investments, with most of the investment flows coming from Russian and British investors.

In 2015 we expect gradual decline of C/A deficit figure, supported by more promising exports outlook.

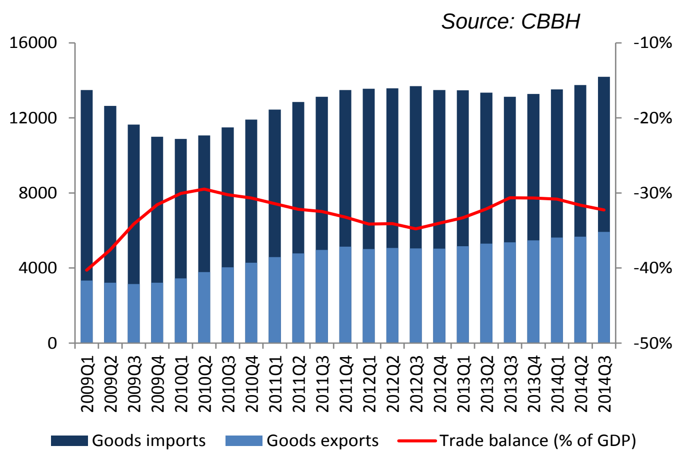
For 2015, we expect some stabilization of the trade balance, supported by a recovery of exports, courtesy of the more favorable growth outlook in the EU and fading effects of the floods. Investments in new energy capacities (mentioned in the previous section) could also contribute to stronger exports in the energy sector, especially in the medium run. Generally, although we see merchandise export capacities still insufficiently diversified, the slowdown in traditional sectors (primarily base metals) was recently offset by a stronger performance in some other sectors, such as machinery, footwear/headwear and chemical products, which we see as the preferred direction in the mid run. On the import side, we expect some upward pressure from intensified investment activity, while falling oil prices on international markets should work in the opposite direction. As for the income accounts, we expect similar developments as in recent years, with a secondary income surplus (remittances and social transfers) playing an important supportive role. We expect the CA deficit to trend modestly downwards towards 7% in the next two years. The FDI footprint should strengthen, moving towards 4% of GDP throughout 2015, with several tourist and energy sector projects already in the pipeline (see above).

The external debt figure kept its mild upward trend in 2014, landing at around 54% of GDP. The debt trajectory was mainly driven by rising public sector debt, while deleveraging in the banking sector kept its steady pace of around BAM 300mn per year. Similar developments are expected in the following years, with the headline figure moving around 54% of GDP, which puts B&H near the bottom of the scale among SEE peers.

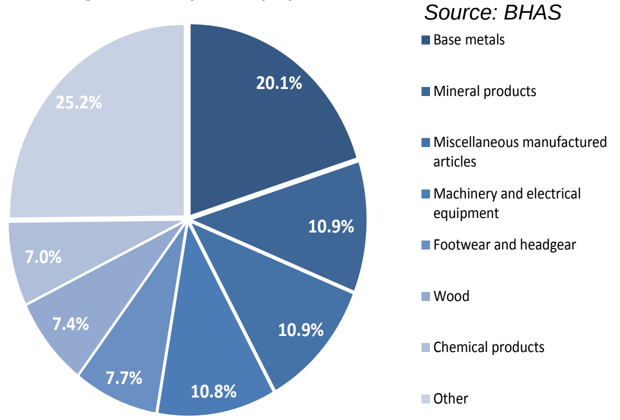
Although narrowing, CAD still on demanding level
C/A deficit and FDI flows (4Q rolling sum, % GDP)



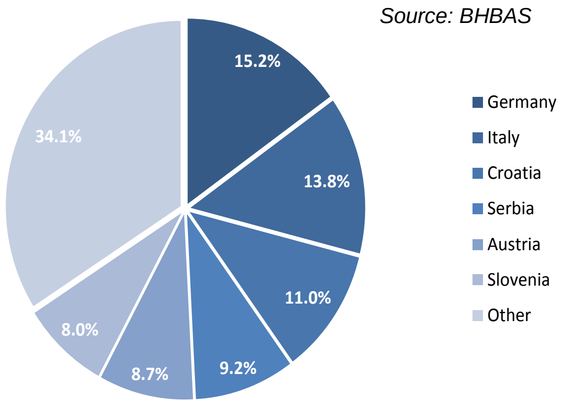
Trade balance gap still on troubling level
Trade balance (4Q rolling sum, BAM mn and % GDP)



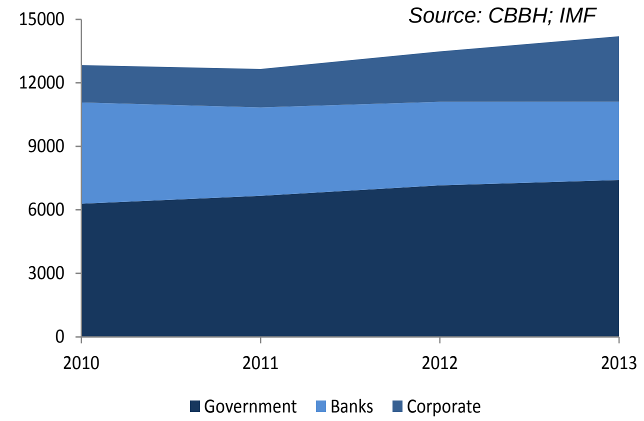
Low value added products dominating export base
Share of goods exports (%)



Main export markets – Germany, Italy and Croatia
Share of total exports by countries (%)

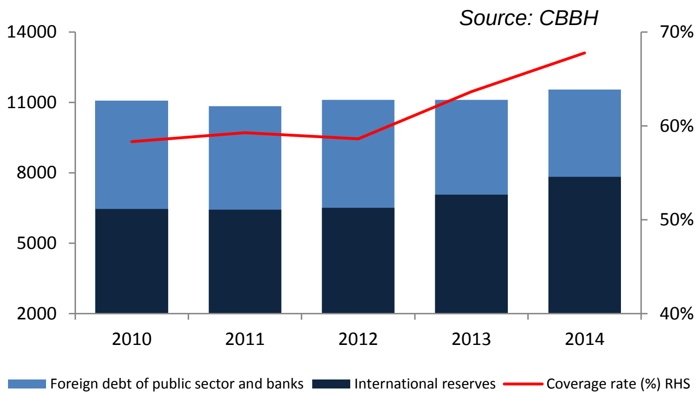


Rising share of public debt in external debt*
External debt by sector (BAM mn)



*share of corporate debt estimated from the IMF data on total external debt

Coverage of public and banking FD on rise
Foreign debt and international reserves (BAM mn)



Monetary Sector

Acceleration of monetary aggregates in 2014 as a result of increased lending and deposit growth

Monetary movements in 2014 were mainly marked by increased lending activity, rising deposits and external deleveraging of commercial banks. Such developments resulted in an acceleration of the average growth of monetary aggregates to around 8% y/y (vs. 4% for M1 and 5.5% for M2 in 2013), the highest growth rate since 2010. Aside from resulting from increased demand for loans, the monetary aggregate increase was supported by inflows to the government sector, based on IMF funds (VI, VII and VIII SBA tranches) and additional IFI funds for recovery of flooded regions. These inflows also resulted in a strong 11% y/y increase in CBBH international reserves, which reached a level of EUR 4bn (around 30% of GDP).

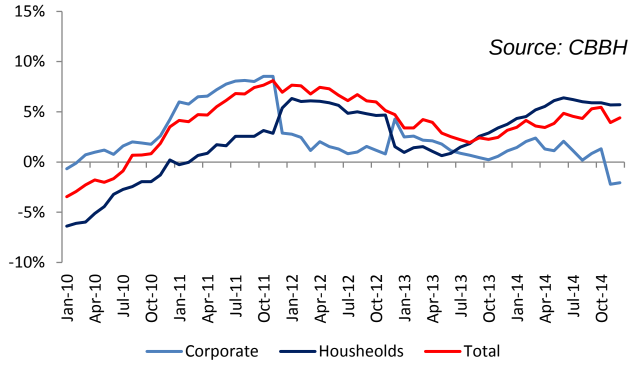
A more detailed look at developments in the banking sector reveals somewhat divergent trends in household and corporate sector lending profiles. The household sector recorded an average 5.6% y/y growth in loans, almost three times stronger in comparison to 2013. Looking at the categories of loans, the growth in the household sector was driven solely by growth in consumer loans (which comprise around 60% of total retail loans), as all other categories recorded a decline. As for the corporate sector, after relatively stable growth in 1H14, the average growth rate of loans decelerated in 2H14, mostly driven by weaker demand after the flood season and stronger deleveraging footprint. In the last two months of 2014, the lending rate in this sector fell into red territory, which intensified in January 2015. On the liability side of the banks' balance sheets, we saw an increase of deposits in all sectors, with double-digit average growth of deposits in the corporate sector (12% y/y) and strong growth in the household sector (9% y/y), supported by remittance inflows and disbursement of funds based on old foreign currency savings. The government sector also increased its deposits, primarily as a result of the above-mentioned IFI funds, thus putting the total deposit growth figure at 8.4% y/y. Such developments brought the loan-to-deposit ratio to below 110%, which is the lowest level since 2008.

B&H banking sector still well capitalized, with increasing profitability

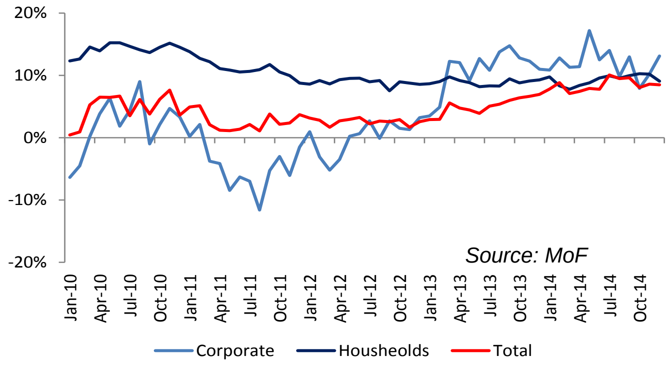
Financial soundness indicators show that, despite a decline of capital adequacy to 16.7% in 4Q14 (vs. 17.8% in 4Q13), the B&H banking sector is still well-capitalized, as the figure is still well above the 12% regulatory minimum. The biggest threat to the stability of banking sector is the share of NPLs in total loans, but we have also seen some improvements in that segment, with the share falling to 14% in 4Q14, vs. 15.1% a year earlier (also influenced by the liquidation of Bobar bank). At the same time, coverage of non-performing loans increased 30bp to 69.7%. As for profitability indicators, ROAA and ROAE returned to green territory during 2014, increasing to 0.8% and 6.5% in 4Q14, respectively (vs. -0.2% and -1.4% in the same period last year).

Looking forward, for 2015, we expect an acceleration of lending activity in the private sector, mostly owing to a rebound of lending in the corporate sector, with the beginning of work related to the reconstruction of flooded regions. We thus could see additional improvements of stability indicators, although we cannot exclude some upside risks to NPLs coming from the weaker performance of the corporate sector in 2H14 (resulting from flood damage).

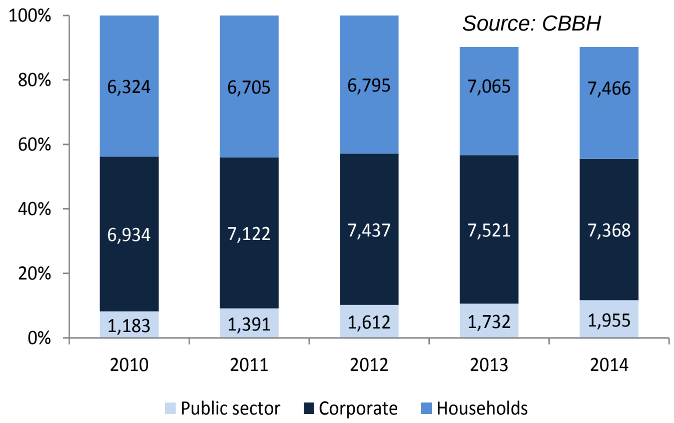
Strong household loans performance
Bank loans to institutional sectors (y/y growth, %)



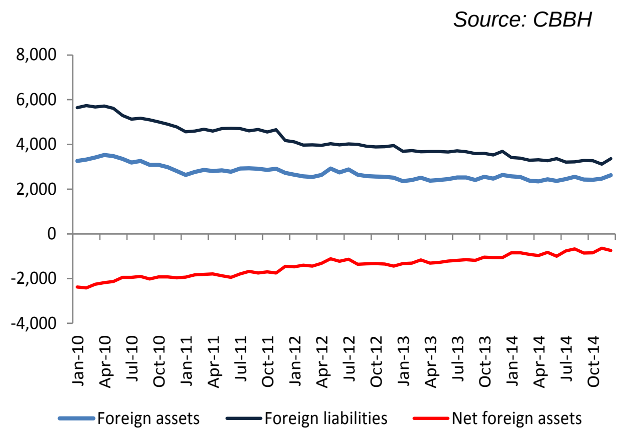
Strong deleveraging in corporate sector
Bank deposits by institutional sectors (y/y growth, %)



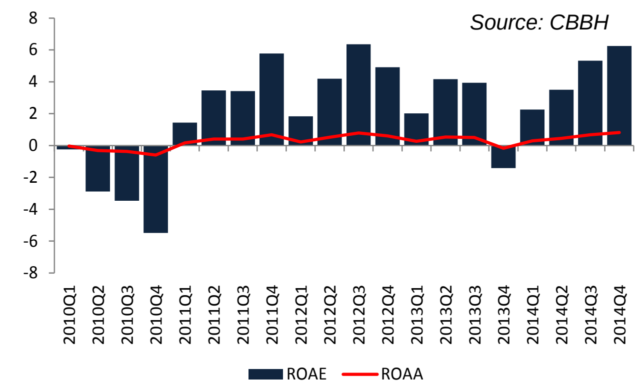
Increasing share of household loans
Total loans by institutional sector (BAM mn; %)



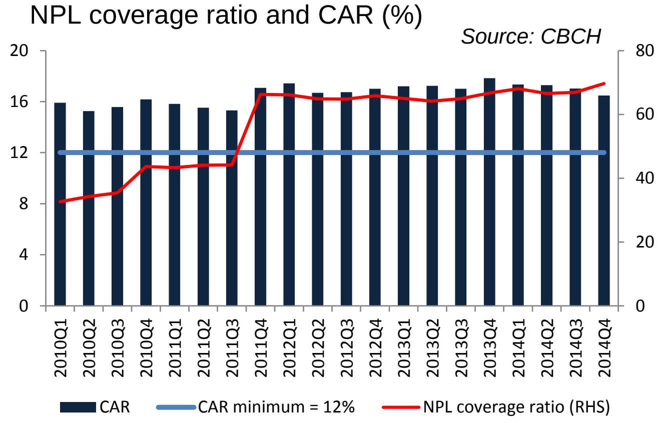
Reduced exposure to external financing
Bank foreign assets and liabilities (BAM mn)



Profitability returned back into the green territory
Return on assets (ROAA) and equity (ROAE) (%)



Increased stability of banking system
NPL coverage ratio and CAR (%)



Fiscal Policy

We saw two extensions of the IMF program in 2014, mostly owing to flood-related deterioration of fiscal and external imbalances

Fiscal developments were in recent years developing under the 2Y IMF EUR 390mn stand-by arrangement framework, signed in September 2012. IMF progress reports indicate that, although the 2013 general government deficit came in at 2.2% of GDP (20bp above the 2012 figure), the government made some progress on the fiscal and reform fronts (mostly improvements in tax collection, budget transparency and business environment). However, 2014 brought notable implementation risks and reduced the reform capacity, with parliamentary elections and flood damage slowing the pace of consolidation.

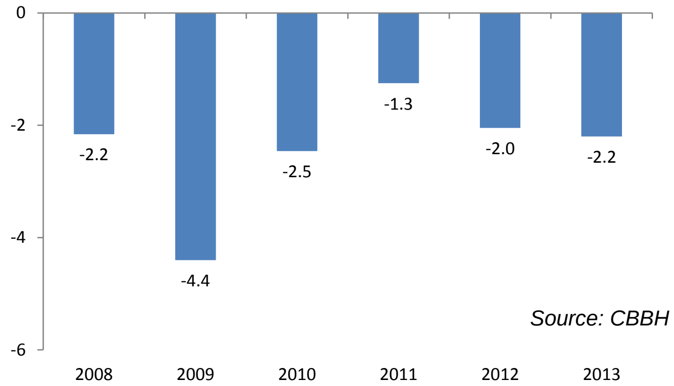
The IMF approved two extensions of the program in 2014, first in January and then in June, to address the increased financing needs (matured payments to the IMF) and effects of flood damage on external and fiscal imbalances (thus bringing the total size of SBA to EUR 638mn). After three SBA tranches disbursed in 2014, the IMF concluded its last mission in December, noting the prerequisites for the eighth review under the SBA by the Executive Board, including cuts of the costs of privileged pensions, improving tax compliance and fighting tax fraud, strengthening financial sector stability and enhancing banking supervision.

Looking at the last available data on budget execution for the first three quarters of 2014, growth of consolidated BH budget revenues outpaced expenditure growth thus widening budget surplus by 25%, to BAM 356.9mn. Such positive movements came as a result of rise in indirect tax revenues but were also strongly influenced by increase of other revenues, primarily payments of dividends in public companies (BH Telecom, Elektroprijenos and Elektroprivreda).Expenditures kept its steady pace of growth of around 2% y/y, mostly owing to a rise in social contributions and public wages. There are still no data on general government figures, but execution of state budgets indicates that the general government figure could land in line with a plan, at around 3.8% of GDP. As for the public debt, growth of the figure was mostly determined by the increase of the external part of the debt, with IMF SBA and flood-related assistance from IBRD and EIB, playing the key roles. Thus the public debt landed at around 45% of projected GDP at YE14, rising from 41.5% in 2013.

Political uncertainties putting notable implementation risks on the consolidation path

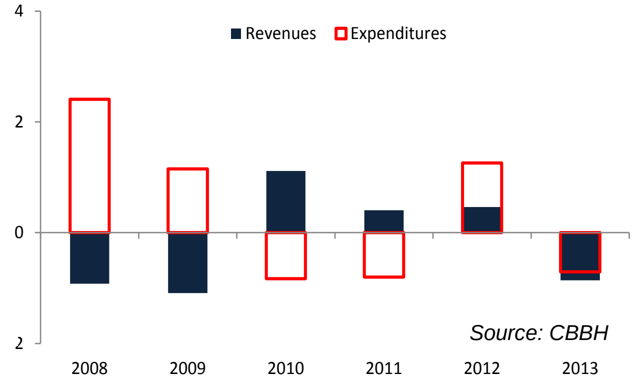
The 2015 fiscal performance will depend heavily on the political situation; with no agreement in the coalition in the first three months of 2015, we expect the reform agenda to come into focus only in the second half of the year. Also, even though the last government drafted a central government budget (federal and state budgets) for 2015, we can expect adjustments and amendments before passing final drafts to the Parliament (we still lack details on that front). Our baseline fiscal scenario for 2015 is based on more robust economic growth and continuation of the IMF program (through existing SBA terms or negotiation of new terms). We thus see a gradual decline in the general government deficit and stabilization of public debt. On the financing side, we expect smooth roll-over of T-bills on the domestic market, while the external debt financing profile will be shaped by the final negotiated form of the IMF arrangement.

Deficit below EU benchmark of 3% since 2010
General government fiscal balance (%of GDP)



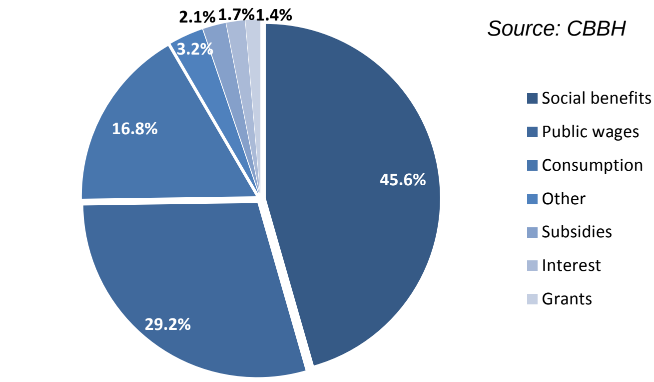
Source: CBBH

Fiscal consolidation based on expenditure cuts
Change of revenue and expenditure shares in GDP



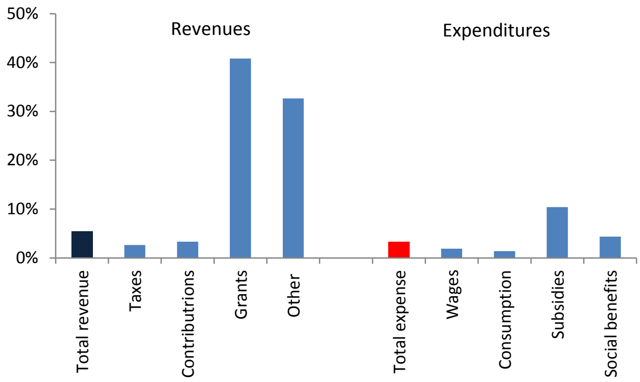
Source: CBBH

Wages and social benefits comprising 75% of budget
Categories of central budget expenditures (% of total)



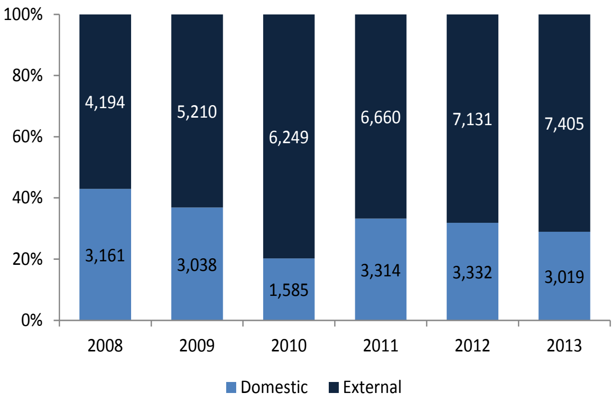
Source: CBBH

Revenues outperforming expenditures in 2014
Main revenues and expenditures (1-3Q14/1-3Q13)



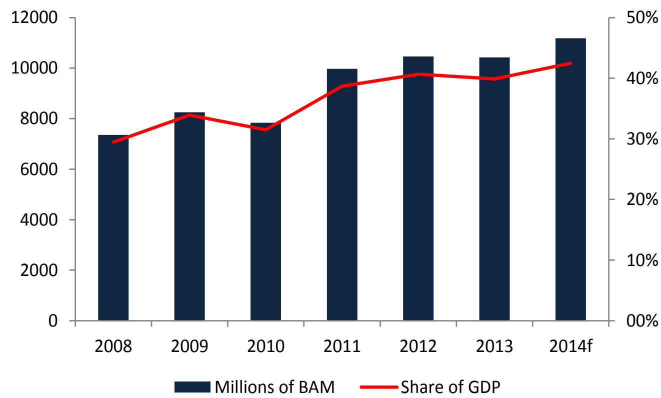
Source: CBBH

External debt dominating public debt figure
Domestic and external public debt (BAM mn, %)



Source: MoF

Public debt breaking level of 40% of GDP
Public debt (BAM mn and % of GDP)



Source: MoF; Erste Group Research

Politics

Due to a very complex political system October elections did not yield an unambiguous winner – negotiations still in progress

Over the last couple of months, the country's political scene was dominated by parliamentary elections held in October 2014 and subsequent process of implementation of election results and establishment of the government, as well as reviving country's accession path towards the European Union. In October 2014 the country held general elections and elected new state presidency and parliamentary assemblies on all levels (state, entity, cantons) for a four-year term.

Political parties constituted the state presidency and parliamentary assemblies on all levels, but appointing of the state council of ministers and governments of Federation and some cantons, albeit in an advanced stage, is not finalized even five months after elections. The coalition trying to form council of ministers at the state level includes Party of Democratic Action (SDA), Alliance for Change (SDS, PDP, NDP), a coalition led by Croatian Democratic Union (HDZBIH), all center-right, and Democratic Front (center-left). At entity level, Republika Srpska government was formed by Alliance of Independent Social Democrats (SNSD) and its partners, while forming of government of FBH is pending a final agreement between parties trying to for majority (SDA, HDZBIH, DF).

Considering the number and diversity of parties comprising the potential majority, it is difficult to assess political direction of the new government and major policies that it plans to carry out. The accord between parties forming a majority at the state level is based on a set of rather general principles, which serve as a framework for future policies. The principles include stabilization of public finances, reduction of public spending at all government levels, economic reforms and jobs creation, continuing EU integration, fight against corruption and organized crime, ethnic and other equality, to name a few. But the specific policies, laws and measures that would effectuate those principles are yet to be defined and agreed upon.

The new approach of the EU towards B&H could result in enforcement of SSA in the near term, if the country's authorities make progress with necessary reforms

Additional emphasis on the need to carry out reforms came from the EU, which opened the possibility for a revival of the country's stalled accession process. Recent initiative taken by Germany and the UK, and endorsed by the common EU institutions, introduced a new approach towards Bosnia and Herzegovina, which should allow BiH to make certain progress on the accession path based on making reforms in areas that the country could more easily resolve, while Sejdic-Finci ruling and other more demanding issues would be dealt with at a later stage.

The new approach of the EU towards BiH could even result in enforcement of the Stabilization and Association Agreement (SSA) in the near term, if the country's authorities make progress with necessary reforms. For the time being, all political parties represented in the parliaments have signed a written commitment to unlocking the process on all government levels (state, entity, cantons). The commitment includes conducting all necessary reforms in order to establish institutional functionality and efficiency to prepare the country for future membership in the EU, developing and implementing a program of measurable initial reform measures (economic and social measures, building functional market economy, accelerating reconciliation process, strengthening administrative capacities) and, at a later stage, making progress to enable solving of the Sejdic-Finci ruling.

Forecasts

BOSNIA AND HERZEGOVINA	2009	2010	2011	2012	2013	2014f	2015f
Nominal GDP (BAM mn)	24,307	24,879	25,772	25,734	26,123	26,175	27,196
Population (mn)	3.8	3.8	3.8	3.8	3.8	3.8	3.8
GDP per capita (EUR)	3,264	3,340	3,460	3,455	3,507	3,500	3,637
Real GDP (growth y/y %)	-2.7	0.8	1.0	-1.2	2.5	1.1	2.4
Private consumption (growth y/y %)	-4.6	0.1	15.8	3.5	-3.0	4.0	5.0
Fixed capital formation (growth y/y %)	-28.8	-15.9	15.8	3.5	-3.0	4.0	6.0
Nominal gross wages (EUR)	614	621	652	656	659	672	697
Gross wages growth (%)	8.6	1.2	5.0	0.5	0.5	2.1	3.6
CPI (y/y, average %)	-0.4	2.1	3.7	2.1	-0.1	-0.9	1.5
CPI (y/y, year end %)	1.5	0.7	2.8	1.8	-1.2	-0.4	3.1
Unemployment (%)	25.7	27.2	27.6	28.0	27.5	27.5	26.0
Exports fob (EUR mn)	2828.1	3628.8	4205.0	4018.7	4285.9	4441.1	4729.8
Imports cif (EUR mn)	6317.0	6961.7	7937.8	7798.5	7756.0	8282.4	8737.9
Trade balance (% of GDP)	-31.6	-30.7	-33.2	-34.0	-30.7	-32.3	-29.1
Current account balance (% of GDP)	-6.4	-6.2	-9.9	-9.6	-6.1	-7.0	-6.2
FDI inflow (% of GDP)	0.9	2.6	2.7	2.1	1.9	2.2	4.0
General government budget balance (% of GDP)	-4.4	-2.5	-1.3	-2.0	-2.2	-3.0	-2.0
Public debt (% of GDP)	33.9	31.5	38.7	40.7	39.9	42.8	42.0
Foreign debt to GDP (%)	53.5	51.6	49.1	52.2	50.8	54.6	53.9
EUR/BAM	1.96	1.96	1.96	1.96	1.96	1.96	1.96
USD/BAM	1.40	1.47	1.41	1.52	1.47	1.46	1.77

Contacts

Group Research

Head of Group Research	
Friedrich Mostböck, CEFA	+43 (0)5 0100 11902
Major Markets & Credit Research	
Head: Gudrun Egger, CEFA	+43 (0)5 0100 11909
Ralf Burchert (Agency Analyst)	+43 (0)5 0100 16314
Hans Engel (Senior Analyst International Equities)	+43 (0)5 0100 19835
Christian Enger, CFA (Covered Bonds)	+43 (0)5 0100 84052
Margarita Grushanina (Economist AT, CHF)	+43 (0)5 0100 11957
Alihan Karadagoglu (Senior Analyst Corporate Bonds)	+43 (0)5 0100 19633
Peter Kaufmann, CFA (Corporate Bonds)	+43 (0)5 0100 11183
Stephan Lingnau (International Equities)	+43 (0)5 0100 16574
Carmen Riefler-Kowarsch (Covered Bonds)	+43 (0)5 0100 19632
Rainer Singer (Senior Economist Euro, US)	+43 (0)5 0100 17331
Elena Statelov, CIIA (Corporate Bonds)	+43 (0)5 0100 19641
Bernadett Povazsai-Römhild (Corporate Bonds)	+43 (0)5 0100 17203
Gerald Walek, CFA (Economist Euro)	+43 (0)5 0100 16360
Katharina Böhm-Klamt (Quantitative Analyst Euro)	+43 (0)5 0100 19632
Macro/Fixed Income Research CEE	
Head CEE: Juraj Kotian (Macro/FI)	+43 (0)5 0100 17357
Zoltan Arokszallasi (Fixed income)	+43 (0)5 0100 18781
Katarzyna Rzentarzewska (Fixed income)	+43 (0)5 0100 17356
CEE Equity Research	
Head: Henning Eßkuchen	+43 (0)5 0100 19634
Chief Analyst: Günther Artner, CFA (CEE Equities)	+43 (0)5 0100 11523
Franz Hörl, CFA (Basic Resources)	+43 (0)5 0100 18506
Daniel Lion, CIIA (Technology, Ind. Goods&Services)	+43 (0)5 0100 17420
Thomas Unger; CFA (Banks, Insurance)	+43 (0)5 0100 17344
Vera Sutedja, CFA (Telecom)	+43 (0)5 0100 11905
Vladimira Urbankova, MBA (Pharma)	+43 (0)5 0100 17343
Martina Valenta, MBA (Real Estate)	+43 (0)5 0100 11913
Editor Research CEE	
Brett Aarons	+420 956 711 014
Deniz Gurgen	+90 212 371 2538
Research, Croatia/Serbia	
Head: Mladen Dodig (Equity)	+381 11 22 09 178
Head: Alen Kovac (Fixed income)	+385 72 37 1383
Anto Augustinovic (Equity)	+385 72 37 2833
Ivana Rogic (Fixed income)	+385 72 37 2419
Milan Deskar-Skrbic (Fixed income)	+385 72 37 1349
Davor Spoljar, CFA (Equity)	+385 72 37 2825
Research, Czech Republic	
Head: David Navratil (Fixed income)	+420 224 995 439
Head: Petr Bartek (Equity)	+420 224 995 227
Vaclav Kminek (Media)	+420 224 995 289
Jiri Polansky (Fixed income)	+420 224 995 192
Dana Hajkova (Fixed income)	+420 224 995 172
Martin Krajhanzl (Equity)	+420 224 995 434
Lubos Mokras (Fixed income)	+420 224 995 456
Jan Sedina (Fixed income)	+420 224 995 391
Research, Hungary	
Head: József Miró (Equity)	+361 235 5131
Gergely Ürmössy (Fixed income)	+361 373 2830
András Nagy (Equity)	+361 235-5132
Vivien Barczel (Fixed income)	+361 373 2026
Tamás Pletser, CFA (Oil&Gas)	+361 235-5135
Research, Poland	
Head: Magdalena Komaracka, CFA (Equity)	+48 22 330 6256
Marek Czachor (Equity)	+48 22 330 6254
Tomasz Duda (Equity)	+48 22 330 6253
Adam Rzepecki (Equity)	+48 22 330 6252
Ludomir Zalewski (Equity)	+48 22 330 6251
Research, Romania	
Chief Economist, Director: Radu Craciun	+40 3735 10424
Head: Mihai Caruntu (Equity)	+40 3735 10427
Head: Dumitru Dulgheru (Fixed income)	+40 3735 10433
Chief Analyst: Eugen Sinca (Fixed income)	+40 3735 10435
Dorina Cobiscan (Fixed Income)	+40 3735 10436
Raluca Florea, CFA (Equity)	+40 3735 10428
Marina Alexandra Spataru (Equity)	+40 3735 10429
Research Turkey	
Head: Can Yurtcan	+90 212 371 2540
Evrim Dairecioglu (Equity)	+90 212 371 2535
M. Görkem Göker (Equity)	+90 212 371 2534
Sezai Saklaroglu (Equity)	+90 212 371 2533
Nilufer Sezgin (Fixed income)	+90 212 371 2536
Ilknur Unsal (Equity)	+90 212 371 2531
Research, Slovakia	
Head: Maria Valachyova, (Fixed income)	+421 2 4862 4185
Katarina Muchova (Fixed income)	+421 2 4862 4762

Treasury - Erste Bank Vienna

Saving Banks & Sales Retail	
Head: Thomas Schaufler	+43 (0)5 0100 84225
Equity Retail Sales	
Head: Kurt Gerhold	+43 (0)5 0100 84232
Fixed Income & Certificate Sales	
Head: Uwe Kolar	+43 (0)5 0100 83214
Treasury Domestic Sales	
Head: Markus Kaller	+43 (0)5 0100 84239
Corporate Sales AT	
Head: Christian Skopek	+43 (0)5 0100 84146

Fixed Income & Credit Institutional Sales

Institutional Sales	
Head: Manfred Neuwirth	+43 (0)5 0100 84250
Bank and Institutional Sales	
Head: Jürgen Niemeier	+49 (0)30 8105800-5503
Institutional Sales AT, GER, LUX, CH	
Head: Thomas Almen	+43 (0)5 0100 84323
Bernd Bollhof	+49 (0)30 8105800 5525
Rene Klasen	+49 (0)30 8105800 5521
Marc Pichler	+43 (0)5 0100 84118
Dirk Seefeld	+49 (0)30 8105800 5523
Charles-Henry de Fontenilles	+43 (0)50100 84115
Bank and Savingsbanks Sales	
Head: Marc Friebertshäuser	+49 (0)711 810400 5540
Mathias Gindele	+49 (0)711 810400 5562
Andreas Goll	+49 (0)711 810400 5561
Ulrich Inhofner	+43 (0)50100 85544
Sven Kienzle	+49 (0)711 810400 5541
Manfred Meyer	+43 (0)5 0100 83213
Jörg Moritzen	+49 (0)30 8105800 5581
Michael Schmotz	+43 (0)5 0100 85542
Bernd Thaler	+43 (0)5 0100 85583
Klaus Vosseler	+49 (0)711 810400 5560
Institutional Sales CEE and International	
Head: Jaromir Malak	+43 (0)50100 84254
Central Bank and International Sales	
Margit Hraschek	+43 (0)5 0100 84117
Daniel Kihak Na	+852 2105 0392
Fiona Chan	+852 2105 0396
Christian Kössler	+43 (0)5 0100 84116
Institutional Sales SEE	
Pawel Kielek	+48 22 544 5610
Institutional Sales Slovakia	
Head: Peter Kniz	+421 2 4862 5624
Sarlota Sipulova	+421 2 4862 5629
Institutional Sales Czech Republic	
Head: Ondrej Cech	+420 2 2499 5577
Milan Bartos	+420 2 2499 5562
Radek Chupik	+420 2 2499 5565
Pavel Zdichynec	+420 2 2499 5590
Institutional Sales Croatia	
Antun Buric	+385 (0)7237 2439
Natalija Zujic	+385 (0)7237 1638
Institutional Sales Hungary	
Norbert Siklosi	+36 1 2355 842
Attila Hollo	+36 1 2355 846
Institutional Sales Romania	
Head: Ciprian Mitu	+40 373 516 532
Institutional Solutions and PM	
Head: Zachary Carvell	+43 (0)50100 83308
Brigitte Mayr	+43 (0)50100 84781
Mikhail Roshal	+43 (0)50100 84787
Christopher Lampe-Traupe	+49 (0)30 8105800 5507